

House Bill 1361 (AS PASSED HOUSE AND SENATE)

By: Representatives Martin of the 47th, Royal of the 171st, Graves of the 137th, and Wilkinson of the 52nd

A BILL TO BE ENTITLED
AN ACT

To amend Chapter 44 of Title 36 of the Official Code of Georgia Annotated, the "Redevelopment Powers Law," so as to change certain definitions; to change certain provisions regarding minimum millage rate requirements; to change certain provisions relative to creation of tax allocation districts; to change certain provisions regarding payments in lieu of taxes to certain political subdivisions; to amend Code Section 48-5-32.1, relating to certification of assessed taxable value of property and method of computation, so as to make certain conforming changes thereto; to provide for related matters; to provide for an effective date and applicability; to repeal conflicting laws; and for other purposes.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF GEORGIA:

SECTION 1.

Chapter 44 of Title 36 of the Official Code of Georgia Annotated, the "Redevelopment Powers Law," is amended by striking Code Section 36-44-3, relating to definitions applicable to such chapter, and inserting in lieu thereof a new Code Section 36-44-3 to read as follows:

"36-44-3.

As used in this chapter, the term:

(1) 'Ad valorem property taxes' means all ad valorem property taxes levied by each political subdivision and each county and independent board of education consenting to the inclusion of that board of education's property taxes as being applicable to a tax allocation district as provided by Code Section 36-44-9, except those:

(A) Those ad valorem property taxes levied to repay bonded indebtedness;

(B) Unless otherwise provided in the resolution creating such district, those ad valorem property taxes levied on personal property or on motor vehicles; and

(C) Unless otherwise provided in the resolution creating such district, those ad valorem property taxes levied on the assessed value of property owned by public

1 utilities and railroad companies, as determined pursuant to the provisions of Chapter
2 5 of Title 48.

3 (2) 'Area of operation' means, in the case of a municipality or its redevelopment agency,
4 the territory lying within the corporate limits of such municipality; in the case of a county
5 or its redevelopment agency, the territory lying within the unincorporated area of the
6 county; and, in the case of a consolidated government or its redevelopment agency, the
7 area lying within the territorial boundaries of the consolidated government. 'Area of
8 operation' may also mean the combined areas of operation of political subdivisions which
9 participate in the creation of a common redevelopment agency to serve such participating
10 political subdivisions as provided in subsection (d) of Code Section 36-44-4.

11 (3) 'Local legislative body' means the official or body in which the legislative powers of
12 a political subdivision are vested.

13 (4) 'Political subdivision' means any county, municipality, or consolidated government
14 of this state.

15 (5) 'Redevelopment' means any activity, project, or service necessary or incidental to
16 achieving the development or revitalization of a redevelopment area or a portion thereof
17 designated for redevelopment by a redevelopment plan or the preservation or
18 improvement of historical or natural assets within a redevelopment area or a portion
19 thereof designated for redevelopment by a redevelopment plan. Without limiting the
20 generality of the foregoing, redevelopment may include any one or more of the following:

21 (A) The construction of any building or other facility for use in any business,
22 commercial, industrial, governmental, educational, charitable, or social activity;

23 (B) The renovation, rehabilitation, reconstruction, remodeling, repair, demolition,
24 alteration, or expansion of any existing building or other facility for use in any business,
25 commercial, industrial, governmental, educational, charitable, or social activity;

26 (C) The construction, reconstruction, renovation, rehabilitation, remodeling, repair,
27 demolition, alteration, or expansion of public or private housing;

28 (D) The construction, reconstruction, renovation, rehabilitation, remodeling, repair,
29 demolition, alteration, or expansion of public works or other public facilities necessary
30 or incidental to the provision of governmental services;

31 (E) The identification, preservation, renovation, rehabilitation, reconstruction,
32 remodeling, repair, demolition, alteration, or restoration of buildings or sites which are
33 of historical significance;

34 (F) The preservation, protection, renovation, rehabilitation, restoration, alteration,
35 improvement, maintenance, and creation of open spaces or green spaces;

(G) The development, construction, reconstruction, repair, demolition, alteration, or expansion of structures, equipment, and facilities for mass transit;

(H) The development, construction, reconstruction, renovation, rehabilitation, repair, demolition, alteration, or expansion of telecommunication infrastructure;

(I) The development, construction, reconstruction, renovation, rehabilitation, repair, demolition, alteration, or expansion of facilities for the improvement of pedestrian access and safety;

(J) Improving or increasing the value of property; and

(K) The acquisition and retention or acquisition and disposition of property for redevelopment purposes or the use for redevelopment purposes of property already owned by a political subdivision or any agency or instrumentality thereof.

(6) 'Redevelopment agency' means the local legislative body of a political subdivision or a public body corporate and politic created as the redevelopment agency of the political subdivision or an existing public body corporate and politic designated as the redevelopment agency of the political subdivision pursuant to Code Section 36-44-4.

(7) 'Redevelopment area' means:

(A) Any urbanized or developed area in which the structures, buildings, or improvements, by reason of dilapidation, deterioration, age, or obsolescence, inadequate provision for ventilation, light, air, sanitation, or open spaces, high density of population and overcrowding, or the existence of conditions which endanger life or property by fire and other causes, or any combination of such factors, is conducive to ill health, transmission of disease, infant mortality, high unemployment, juvenile delinquency, or crime and is detrimental to the public health, safety, morals, or welfare;

(B) Any urbanized or developed area which by reason of the presence of a predominant number of substandard, slum, deteriorated, or deteriorating structures; the predominance of defective or inadequate street layout, inadequate parking, roadways, bridges, or public transportation facilities incapable of handling the volume of traffic flow into or through the area, either at present or following proposed redevelopment; the faulty lot layout in relation to size, adequacy, accessibility, or usefulness; unsanitary or unsafe conditions; deterioration of site or other improvements; the diversity of ownership, tax, or special assessment delinquency exceeding the fair value of the land; diversity of ownership on defective or unusual conditions of title which prevent or encumber the free alienability of land; or the existence of conditions which endanger life or property by fire and other causes; or any combination of the foregoing, substantially impairs or arrests the sound growth of the community, retards the provision of housing accommodations or employment opportunities; or constitutes an

1 economic or social liability and is a menace to the public health, safety, morals, or
2 welfare in its present condition and use;

3 (C) Any open area located within an urbanized or developed area within the corporate
4 limits of a municipality which because of any factor or combination of factors
5 enumerated in subparagraph (A) or (B) of this paragraph substantially impairs or arrests
6 the sound growth of the community;

7 (D) Any area located within an urbanized or developed area and which, immediately
8 prior to becoming an open area, qualified as a redevelopment area under subparagraph
9 (A) or (B) of this paragraph;

10 (E) Any area located within an urbanized or developed area which is substantially
11 underutilized by containing open lots or parcels of land or by containing a substantial
12 number of buildings or structures which are 40 years old or older or by containing
13 structures or buildings of relatively low value as compared to the value of structures or
14 buildings in the vicinity of the area or by having development impaired by airport and
15 related transportation noise or by related environmental factors or an area in which
16 there is a shortage of housing that is affordable for persons of low or moderate income
17 which the local legislative body designates as appropriate for community
18 redevelopment or by any combination of the foregoing factors;

19 (F) Any geographic area designated within the comprehensive plan of a political
20 subdivision for redevelopment which has previously been developed for commercial,
21 residential, industrial, office, or similar or ancillary uses and which lies within the
22 service delivery area of the political subdivision, in which the current condition of the
23 area is less desirable than the redevelopment of the area for new commercial,
24 residential, industrial, office, or other uses, or a combination of uses, including the
25 provision of open space or pedestrian and transit improvements, and any geographic
26 area that is adversely affected by airport or transportation related noise or other
27 environmental degradation, contamination, or other environmental factors which the
28 political subdivision has determined to be impairing or retarding the redevelopment of
29 the area;

30 (G) Any urbanized or developed area or an area connecting two or more urbanized or
31 developed areas that has been subject to some development but which has inadequate
32 roadways, bridges, or public transportation or transit facilities incapable of handling the
33 volume of traffic or passenger flow in or through the area in a safe and efficient manner
34 either at present or following proposed redevelopment; or

35 (H) Any area combining any factors specified in subparagraphs (A) through (G) of this
36 paragraph.

(8) 'Redevelopment costs' means any expenditures made or estimated to be made or monetary obligations incurred or estimated to be incurred to achieve the redevelopment of a redevelopment area or any portion thereof designated by a redevelopment plan or any expenditures made to carry out or exercise any powers granted by this chapter. Without limiting the generality of the foregoing, redevelopment costs may include any one or more of the following:

(A) Capital costs, including the costs incurred or estimated to be incurred for the construction of public works or improvements, new buildings, structures, and fixtures; the renovation, rehabilitation, reconstruction, remodeling, repair, demolition, alteration, or expansion of existing buildings, structures, and fixtures; the acquisition of equipment; and the clearing and grading of land;

(B) Financing costs, including, but not limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued under this chapter occurring during the estimated period of construction of any project with respect to which any capital costs within the meaning of subparagraph (A) of this paragraph are financed in whole or in part by such obligations and for a period not to exceed 42 months after completion of any such construction and including reasonable reserves related thereto and all principal and interest paid to holders of evidences of indebtedness issued to pay for other redevelopment costs and any premium paid over the principal amount thereof because of the redemption of such obligations prior to maturity;

(C) Professional service costs, including those costs incurred for architectural, planning, engineering, financial, marketing, and legal advice and services;

(D) Imputed administrative costs, including reasonable charges for the time spent by public employees in connection with the implementation of a redevelopment plan;

(E) Relocation costs as authorized by a redevelopment plan for persons or businesses displaced by the implementation of a redevelopment plan, including but not limited to, those relocation payments made following condemnation under Chapter 4 of Title 22, 'The Georgia Relocation Assistance and Land Acquisition Policy Act';

(F) Organizational costs, including the costs of conducting environmental impact and other studies, and the costs of informing the public with respect to the creation and implementation of redevelopment plans;

(G) ~~Payments by one political subdivision~~ to a political subdivision or board of education in lieu of taxes to compensate for any loss of tax revenues or for any capital costs incurred because of redevelopment activity; provided, however, that any such payments to a political subdivision or board of education shall not exceed in any year

1 the amount of the contribution to the tax allocation increment in that year by such
2 political subdivision or board of education; and

3 (H) Real property assembly costs.

4 (9) 'Redevelopment plan' means a written plan of redevelopment for a redevelopment
5 area or a designated portion thereof which:

6 (A) Specifies the boundaries of the proposed redevelopment area;

7 (B) Explains the grounds for a finding by the local legislative body that the
8 redevelopment area on the whole has not been subject to growth and development
9 through private enterprise and would not reasonably be anticipated to be developed
10 without the approval of the redevelopment plan or that the redevelopment area includes
11 one or more natural or historical assets which have not been adequately preserved or
12 protected and such asset or assets would not reasonably be anticipated to be adequately
13 preserved or protected without the approval of the redevelopment plan;

14 (C) Explains the proposed uses after redevelopment of real property within the
15 redevelopment area;

16 (D) Describes any redevelopment projects within the redevelopment area proposed to
17 be authorized by the redevelopment plan, estimates the cost thereof, and explains the
18 proposed method of financing such projects;

19 (E) Describes any contracts, agreements, or other instruments creating an obligation
20 for more than one year which are proposed to be entered into by the political
21 subdivision or its redevelopment agency or both for the purpose of implementing the
22 redevelopment plan;

23 (F) Describes the type of relocation payments proposed to be authorized by the
24 redevelopment plan;

25 (G) Includes a statement that the proposed redevelopment plan conforms with the local
26 comprehensive plan, master plan, zoning ordinance, and building codes of the political
27 subdivision or explains any exceptions thereto;

28 (H) Estimates redevelopment costs to be incurred or made during the course of
29 implementing the redevelopment plan;

30 (I) Recites the last known assessed valuation of the redevelopment area and the
31 estimated assessed valuation after redevelopment;

32 (J) Provides that property which is to be redeveloped under the plan and which is either
33 designated as a historic property under Article 2 of Chapter 10 of Title 44, the 'Georgia
34 Historic Preservation Act,' or is listed on or has been determined by any federal agency
35 to be eligible for listing on the National Register of Historic Places will not be:

(i) Substantially altered in any way inconsistent with technical standards for rehabilitation; or

(ii) Demolished unless feasibility for reuse has been evaluated based on technical standards for the review of historic preservation projects,

which technical standards for rehabilitation and review shall be those used by the state historic preservation officer, although nothing in this subparagraph shall be construed to require approval of a redevelopment plan or any part thereof by the state historic preservation officer;

(K) Specifies the proposed effective date for the creation of the tax allocation district and the proposed termination date;

(L) Contains a map specifying the boundaries of the proposed tax allocation district and showing existing uses and conditions of real property in the proposed tax allocation district;

(M) Specifies the estimated tax allocation increment base of the proposed tax allocation district;

(N) Specifies ad valorem property taxes for computing tax allocation increments determined in accordance with Code Section 36-44-9 and supported by any resolution required under paragraph ~~(2)~~(3) of Code Section 36-44-8;

(O) Specifies the amount of the proposed tax allocation bond issue or issues and the term and assumed rate of interest applicable thereto;

(P) Estimates positive tax allocation increments for the period covered by the term of the proposed tax allocation bonds;

(Q) Specifies the property proposed to be pledged for payment or security for payment of tax allocation bonds which property may include positive tax allocation increments derived from the tax allocation district, all or part of general funds derived from the tax allocation district, and any other property from which bonds may be paid under Code Section 36-44-14, subject to the limitations of Code Sections 36-44-9 and 36-44-20; and

(R) Includes such other information as may be required by resolution of the political subdivision whose area of operation includes the proposed redevelopment area.

(10) 'Resolution' means a resolution or ordinance by which a local legislative body takes official legislative action, and any duly-adopted amendment thereto.

(11) 'Special fund' means the fund provided for in subsection (c) of Code Section 36-44-11.

(12) 'Tax allocation bonds' means one or more series of bonds, notes, or other obligations issued by a political subdivision to finance, wholly or partly, redevelopment costs within

1 a tax allocation district and which are issued on the basis of pledging for the payment or
2 security for payment of such bonds positive tax allocation increments derived from the
3 tax allocation district, all or part of general funds derived from the tax allocation district,
4 and any other property from which bonds may be paid under Code Section 36-44-14, as
5 determined by the political subdivision subject to the limitations of Code Sections
6 36-44-9 and 36-44-20. Tax allocation bonds shall not constitute debt within the meaning
7 of Article IX, Section V of the Constitution.

8 (13) 'Tax allocation district' means a contiguous geographic area within a redevelopment
9 area which is defined and created by resolution of the local legislative body of a political
10 subdivision pursuant to subparagraph (B) of paragraph (3) of Code Section 36-44-8 for
11 the purpose of issuing tax allocation bonds to finance, wholly or partly, redevelopment
12 costs within the area.

13 (14) 'Tax allocation increment' means that amount obtained by multiplying the total ad
14 valorem property taxes, determined as provided in Code Section 36-44-9, levied ~~on all~~
15 ~~taxable property~~ within a tax allocation district in any year by a fraction having a
16 numerator equal to that year's taxable value of all taxable property subject to ad valorem
17 property taxes within the tax allocation district minus the tax allocation increment base
18 and a denominator equal to that year's taxable value of all taxable property subject to ad
19 valorem property taxes within the tax allocation district. In any year, a tax allocation
20 increment is 'positive' if the tax allocation increment base is less than that year's taxable
21 value of all taxable property subject to ad valorem property taxes and 'negative' if such
22 base exceeds such taxable value.

23 (15) 'Tax allocation increment base' means the taxable value of all taxable property
24 subject to ad valorem property taxes, as certified by the state revenue commissioner,
25 located within a tax allocation district on the effective date such district is created
26 pursuant to Code Section 36-44-8.

27 (16) 'Taxable property' means all real and personal property subject to ad valorem
28 ~~property taxes of taxation by~~ a political subdivision, including property subject to local
29 ad valorem taxation for educational purposes.

30 (17) 'Taxable value' means the current assessed value of taxable property as shown on
31 the tax digest of the county in which the property is located."

32 SECTION 2.

33 Said chapter is further amended by striking in its entirety Code Section 36-44-8, relating to
34 creation of tax allocation districts, and inserting in lieu thereof a new Code Section 36-44-8
35 to read as follows:

1 "36-44-8.

2 In order to create and carry out the purposes of a tax allocation district, the following steps
3 are required:

4 (1) Preparation by the redevelopment agency of a redevelopment plan for the proposed
5 tax allocation district and its submission for consent to the political subdivision or board
6 of education required to consent, if the plan proposes to include in the tax allocation
7 increment ad valorem property taxes levied by a political subdivision or board of
8 education required to consent to such inclusion under Code Section 36-44-9, or if the plan
9 proposes to pledge for payment or security for payment of tax allocation bonds and other
10 redevelopment costs the general funds of a county required to consent to such inclusion
11 under Code Section 36-44-9;

12 (2) Submission of the redevelopment plan to the local legislative body of the political
13 subdivision whose area of operation will include the tax allocation district;

14 (3) Adoption by the local legislative body of a resolution approving the redevelopment
15 plan and which:

16 (A) Describes the boundaries of the tax allocation district with sufficient definiteness
17 to identify with ordinary and reasonable certainty the territory included. The boundaries
18 shall include only those whole units of property assessed for ad valorem property tax
19 purposes;

20 (B) Creates the district on December 31 following the adoption of the resolution or on
21 December 31 of a subsequent year as determined by the local legislative body;

22 (C) Assigns a name to the district for identification purposes. The first district created
23 shall be known as 'Tax Allocation District Number 1,' followed by the name of the
24 political subdivision within whose area of operation the district is located;

25 (D) Specifies the estimated tax allocation increment base;

26 (E) Specifies ad valorem property taxes to be used for computing tax allocation
27 increments;

28 (F) Specifies the property proposed to be pledged for payment or security for payment
29 of tax allocation bonds which property may include positive tax allocation increments
30 derived from the tax allocation district, all or part of general funds derived from the tax
31 allocation district, and any other property from which bonds may be paid under Code
32 Section 36-44-14, as determined by the political subdivision subject to the limitations
33 of Code Sections 36-44-9 and 36-44-20; and

34 (G) Contains findings that:

35 (i) The redevelopment area on the whole has not been subject to growth and
36 development through private enterprise and would not reasonably be anticipated to

1 be developed without the approval of the redevelopment plan or includes one or more
2 natural or historical assets which have not been adequately preserved or protected and
3 such asset or assets would not reasonably be anticipated to be adequately preserved
4 or protected without the approval of the redevelopment plan; and

5 (ii) The improvement of the area is likely to enhance the value of a substantial
6 portion of the other real property in the district.

7 If any information required to be included in the resolution approving the redevelopment
8 plan under subparagraphs (A) through (G) of this paragraph is contained in the
9 redevelopment plan, then the resolution approving the redevelopment plan may
10 incorporate by reference that portion of the redevelopment plan containing said
11 information; and

12 (4) A certified copy of any resolution giving the consent required under paragraph (1)
13 of this Code section must be submitted to the local legislative body of the political
14 subdivision whose area of operation will include the tax allocation district prior to
15 inclusion of such ad valorem property taxes or general funds in calculation of the tax
16 allocation increment."

17 SECTION 3.

18 Said chapter is further amended by redesignating subsection (e) of Code Section 36-44-9,
19 relating to computation of tax allocation increments, as subsection (f) thereof, and inserting
20 immediately prior to said new subsection (f), a new subsection (e) to read as follows:

21 "(e) The resolution of any county, municipality, consolidated government or board of
22 education consenting to the inclusion of ad valorem property taxes in the computation of
23 tax increments shall not specify the inclusion of any ad valorem property taxes not
24 specified in the resolution creating the tax allocation district."

25 SECTION 4.

26 Said chapter is further amended by striking in its entirety subsection (e) of Code Section
27 36-44-10, relating to determination of tax allocation increment base of proposed district,
28 effect of amending district, identification on tax digests and notice of current taxable value
29 and tax increment base, and inserting in lieu thereof a new subsection (e) to read as follows:

30 "(e) The county board of tax assessors, joint city-county board of tax assessors, or
31 consolidated government board of tax assessors shall annually give notice to the county tax
32 collector or tax commissioner and to the municipal official responsible for collecting
33 municipal ad valorem property taxes as to both the current taxable value of property subject
34 to ad valorem property taxes within each tax allocation district and the tax allocation

1 increment base. The notice shall also explain that any taxes collected as a result of
2 increases in the tax allocation increment base constitute tax allocation increments and shall
3 be paid to the appropriate political subdivision as provided by subsection (b) of Code
4 Section 36-44-11."

5 **SECTION 5.**

6 Said chapter is further amended by striking in its entirety Code Section 36-44-11, relating to
7 allocation of positive tax allocation increments of district and creation of special fund, and
8 inserting in lieu thereof a new Code Section 36-44-11 to read as follows:

9 "36-44-11.

10 (a) Positive tax allocation increments of a tax allocation district shall be allocated to the
11 political subdivision which created the district for each year from the effective date of the
12 creation of the district until that time when all redevelopment costs and all tax allocation
13 bonds of the district have been paid or provided for, subject to any agreement with
14 bondholders. General funds derived from the tax allocation district which have been
15 pledged for payment or security for payment of tax allocation bonds and other
16 redevelopment costs of the tax allocation district shall also be allocated to the political
17 subdivision which created the district for each year from the effective date of the creation
18 of the district until that time when all redevelopment costs and all tax allocation bonds have
19 been paid or provided for, subject to any agreement with bondholders.

20 (b)(1) Each county tax collector or tax commissioner, municipal official responsible for
21 collecting municipal ad valorem property taxes, or consolidated government official
22 responsible for collecting consolidated government ad valorem property taxes shall, on
23 the dates provided by law for the payment of taxes collected to the respective political
24 subdivisions, pay over to the appropriate fiscal officer of each political subdivision
25 having created a tax allocation district, out of taxes collected on behalf of such political
26 subdivision, including but not limited to taxes collected for a political subdivision or
27 board of education consenting, pursuant to Code Section 36-44-9, to inclusion of its ad
28 valorem property taxes in the computation of tax allocation increments for that tax
29 allocation district, that portion, if any, which represents positive tax allocation increments
30 payable to such political subdivision.

31 (2) In addition, each county shall, upon receipt, pay over to the appropriate fiscal officer
32 of each municipality having created a tax allocation district that portion, if any, of its
33 general funds derived from the tax allocation district which have been pledged for
34 payment or security for payment of tax allocation bonds and for payment of other
35 redevelopment costs of the tax allocation district pursuant to Code Section 36-44-9.

(c) All positive tax allocation increments received for a tax allocation district shall be deposited into a special fund for the district upon receipt by the fiscal officer of the political subdivision. All general funds derived from the tax allocation district which have been pledged for payment or security for payment of tax allocation bonds and other redevelopment costs of the tax allocation district shall be deposited upon receipt into the special fund. Any lease or other contract payments made under the district's redevelopment plan shall also be deposited upon receipt into the special fund. Moneys derived from positive tax allocation increments, general fund moneys, and moneys derived from lease or other contract payments shall be accounted for separately within the special fund. Moneys shall be paid out of the fund only to pay redevelopment costs of the district or to satisfy claims of holders of tax allocation bonds issued for the district. The local legislative body shall irrevocably pledge all or a part of such special fund to the payment of the tax allocation bonds. The special fund or designated part thereof may thereafter be used only for the payment of the tax allocation bonds and interest until they have been fully paid, and a holder of said bonds shall have a lien against the special fund or said designated part thereof pledged for payment of said bonds and may either at law or in equity protect and enforce the lien. General funds derived from the tax allocation district may be used for payment of tax allocation bonds only to the extent that positive tax allocation increments and lease or other contract payments in the special fund are insufficient at any time to pay principal and interest due on such bonds. Subject to any agreement with bondholders, moneys in the fund may be temporarily invested in the same manner as other funds of the political subdivision. Except as provided in Code Section 36-44-20, general funds derived from the tax allocation district may be used for payment of tax allocation bonds only to the extent that positive tax allocation increments and lease or other contract payments in the special fund are insufficient at any time to pay the principal and interest due on such bonds. After all redevelopment costs and all tax allocation bonds of the district have been paid or provided for, subject to any agreement with bondholders, if there remains in the fund any moneys derived from positive tax allocation increments, they shall be paid over to each county, municipality, consolidated government, or county or independent board of education whose ad valorem property taxes were affected by the tax allocation district in proportion to the aggregate contribution of such taxes by such political subdivision less aggregate payments to such political subdivision pursuant to subparagraph (G) of paragraph (8) of Code Section 36-44-3 and in the same manner ~~and proportion~~ as the most recent distribution by the county tax collector or tax commissioner, municipal official responsible for collecting municipal ad valorem property taxes, or consolidated government official responsible for collecting consolidated government ad valorem property taxes. If

1 there remains in the fund any other moneys, they shall be paid over to each political
2 subdivision which contributed to the fund in proportion to the respective total contribution
3 each made to the fund."

4 **SECTION 6.**

5 Said chapter is further amended by striking Code Section 36-44-15, relating to tax millage
6 rate, and inserting in lieu thereof a new Code Section 36-44-15 to read as follows:

7 "36-44-15.

8 (a) For the purpose of fixing the tax millage rate to fund the annual budget of each political
9 subdivision or county or independent board of education having the power to levy taxes or
10 set ad valorem tax millage rates on property located within a tax allocation district, which
11 has consented to the inclusion of its ad valorem property taxes for the computation of tax
12 allocation increments as provided in Code Section 36-44-9, the taxable value of property
13 subject to ad valorem property taxes within a tax allocation district shall not exceed the tax
14 allocation increment base of the district until the district is terminated. Nothing in this
15 chapter shall be construed to freeze the ad valorem tax millage rate of any political
16 subdivision or county or independent board of education consenting to the inclusion of its
17 ad valorem property taxes as a basis for computing tax allocation increments, and any such
18 rate may be increased or decreased at any time after the creation of a tax allocation district
19 in the same manner and under the same authority that such rate has been previously fixed
20 by such political subdivision or county or independent board of education.

21 ~~(b) Notwithstanding the provisions of subsection (a) of this Code section and the~~
22 ~~provisions of any other law to the contrary, including but not limited to those provisions~~
23 ~~relating to the joint county and municipal sales and use tax provided for in Article 2 of~~
24 ~~Chapter 8 of Title 48, until a tax allocation district is terminated, a political subdivision or~~
25 ~~county or independent board of education consenting to the inclusion of its property taxes~~
26 ~~as a basis for computing a tax allocation increment base within a tax allocation district, as~~
27 ~~provided in Code Section 36-44-9, may not decrease its ad valorem tax millage rate on~~
28 ~~taxable property located within that district below the millage rate levied on that property~~
29 ~~on the last date tax allocation bonds were issued for redevelopment costs of that district."~~

30 **SECTION 7.**

31 Said chapter is further amended by striking Code Section 36-44-17, relating to limitation on
32 creation of tax allocation districts, and inserting in lieu thereof a new Code Section 36-44-17
33 to read as follows:

34 "36-44-17.

1 No political subdivision may create a tax allocation district when the total current taxable
2 value of property subject to ad valorem property taxes within the proposed district plus the
3 total current taxable value of property subject to ad valorem property taxes within all its
4 existing tax allocation districts exceeds 10 percent of the total current taxable value of all
5 taxable property located within the area of operation of the political subdivision."

6 **SECTION 8.**

7 Code Section 48-5-32.1, relating to certification of assessed taxable value of property and
8 method of computation, is amended by striking paragraph (9) of subsection (a) of said Code
9 section in its entirety and inserting in lieu thereof the following:

10 "(9) 'Roll-back rate' means the previous year's millage rate minus the millage equivalent
11 of the total net assessed value added by reassessments; ~~provided, however, that if the~~
12 ~~taxing jurisdiction has created a redevelopment area under the provisions of Chapter 44~~
13 ~~of Title 36 and the roll-back rate that would otherwise result is lower than the minimum~~
14 ~~millage permissible under such chapter, the roll-back rate shall mean such minimum~~
15 ~~millage."~~

16 **SECTION 9.**

17 Nothing in this Act shall impair or invalidate any redevelopment plan, redevelopment area,
18 or tax allocation district in effect on the effective date of this Act, or any bonds, notes or
19 certificates thereof. Any redevelopment agency as defined in paragraph (6) of Code Section
20 36-44-3 having an existing tax allocation district to which the definition of "ad valorem
21 property taxes" provided for in Section 1 of this Act is effective may apply, in writing, to the
22 state revenue commissioner for a determination or redetermination of the tax allocation
23 increment base of such tax allocation district. Within a reasonable time, and not exceeding
24 60 days after such application, the state revenue commissioner shall certify to the
25 redevelopment agency the tax allocation increment base, as defined by this Act, as of the
26 effective date of the creation of such tax allocation district. Such certification shall supersede
27 any prior certification and, unless amended pursuant to subsection (b) of Code Section
28 36-44-10, shall constitute the tax allocation increment base of the tax allocation district.

29 **SECTION 10.**

30 This Act shall become effective on its approval by the Governor or upon its becoming law
31 without such approval; provided, however, that the definition of "ad valorem property taxes"
32 provided for in Section 1 of this Act shall not be effective as to the calculation of the tax
33 allocation increment base of any tax allocation district for which a political subdivision has

1 issued tax allocation bonds, notes, or certificates prior to the effective date hereof, and the
2 definition of such term effective prior to the effective date hereof shall remain effective as
3 to any such tax allocation district.

4 **SECTION 11.**

5 All laws and parts of laws in conflict with this Act are repealed.